

KENNEWICK SCHOOL DISTRICT NO. 17
Benton County, Washington
September 1, 1993 Through August 31, 1994

Schedule Of Findings

1. School District Should Improve Internal Controls Over Fixed Assets

Our review of the school district's fixed assets control system revealed the following weaknesses:

- a. Detailed listings of the district's property at each location are not kept up to date and accurate.
- b. District officials do not take physical inventory of the district's assets on a periodic basis.
- c. There is no subsidiary fixed asset ledger maintained to support the general fixed asset account group balances.

According to district personnel, the inadequate fixed asset accounting is attributed to insufficient resources assigned to this area, and turnover in personnel.

Lack of such records increases the risk that errors or irregularities may occur and not be detected in a timely manner.

We recommend the district officials:

- a. Keep listings of the property owned by the district up to date and reconciled to the actual assets on hand.
- b. Perform inventories of the assets on a regular basis. Inventories should be verified for accuracy by an independent person.
- c. Maintain a fixed asset ledger that agrees to the general fixed asset account group balances. In addition, all additions and retirements of fixed assets should be recorded in these ledgers as they occur.